

TIPSS-2 DISCLOSURE OBJECTIVES

- Provide awareness of Disclosure issues.
- Know when a Privacy Act issue is involved
- Know when a 6103 Disclosure issue is involved
- Include the appropriate safeguard and security language in the Statement of Work



AUTHORITY



Federal Acquisition Regulation 1.602-1(b)

 No contract shall be entered into unless the contracting officer ensures that <u>all</u> requirements of law, executive order, regulations and all other applicable procedures, including clearances and approvals, have been met.



AUTHORITY



- IRM 1.3 and [Reg. 301.6103(n)-1(d)]
 - The Office of Governmental Liaison and Disclosure, Office of Safeguards and Tax Checks:
 - is charged with the responsibility of ensuring that all requisitions having Privacy or Disclosure implications have the appropriate language in the <u>Statement of Work</u> to adequately protect sensitive but unclassified information from unauthorized disclosure, access, or use.



AUTHORITY

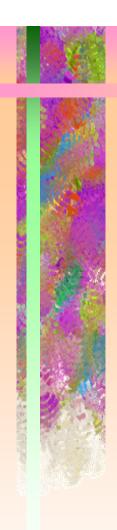


- Circular NO. A-130
 - Safeguards. Agencies shall:
 - Ensure that information is protected commensurate with the risk and magnitude of the harm that would result from loss, misuse, or unauthorized access to or modification of such information
 - Limit the sharing/disclosure of information that identifies individuals . . . to that which is <u>legally</u> authorized, and impose appropriate conditions on use...to ensure the confidentiality of the information exists and is preserved



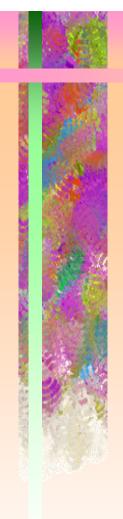
DISCLOSURES ISSUES

- The Office of Disclosure has sometimes been incorrectly left out of the approval path
 - SERIOUS OVERSIGHT:
 - Places IRS at legal risk
 - CO/COTR working the contract or requisition place their job at risk



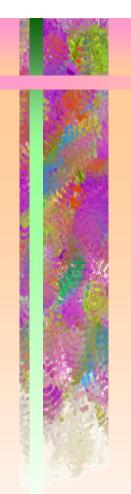
CAUTION: The requisition may incorrectly indicate no privacy or disclosure implications

- Statement of work does not adequately describe the work involved
- Subsequently the requisition may not have the appropriate language to protect the sensitive information



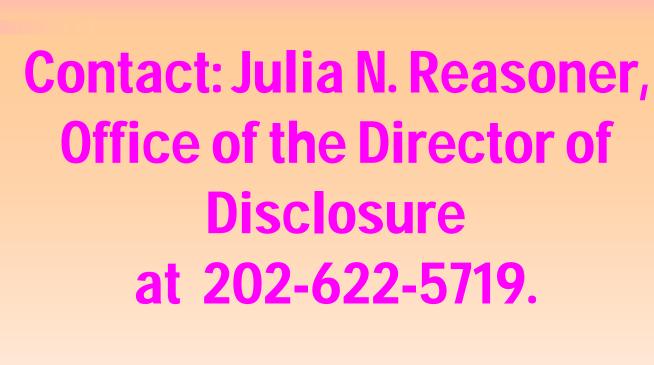
Knowing When to Contact Disclosure

- Requisitions involving federal tax returns and/or return information
- Requisition involving Privacy Act records
- Requisition involving the disclosure of "Official Use Only (OUO)"



The Request Tracking System (RTS)

- Asks if the requisition has Privacy Act implications or whether it involves disclosure of tax returns and return information
- When either or both of these conditions exist the package requires Disclosure's review and approval







General Awareness of Disclosure Laws

 Internal Revenue Code - protects confidentiality of tax returns and return information

Privacy Act of 1974 - protects
 confidentiality of records about an
 individual, under the control of an agency
 and retrieved by an identifier



DISCLOSURES PER IRC 6103(n)

• IRC 6103(n) & the (n)-regulations: disclosure of tax returns and return information to the extent necessary in connection with the processing, storage, transmission, and reproduction of such returns and return information, the programming maintenance, repair, testing, and procurement of equipment, and the providing of other services, for purposes of tax administration



Internal Revenue Service Acquisition Procedures (IRSAP)

Places the contractor on notice for the protection of SBU IRS data

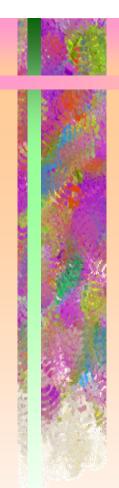
- Paper form & moveable media [i.e. back-up tapes)
 - Physical security requirements
 - Initial documentation
 - Annually re-certified thereafter for option years
- Electronic form
 - C2 compliance at a minimum



Internal Revenue Service Acquisition Procedures (IRSAP)

 Alerts contractor of Criminal and Civil Sanctions

 Informs contractor that IRS has the right to send its employees in to inspect his facility



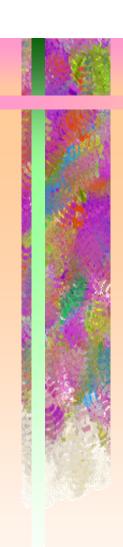
Privacy Act Protected Records

- What is a Privacy Act record?
 - A Privacy Act record is any item, collection or grouping of information:
 - about an individual
 - that is maintained by an agency
 - including, but not limited to, education, financial transactions, medical history, and criminal or employment history and
 - that contains name, or the identifying number, symbol, or other identifying particular assigned to the individual, such as a voiceprint or a photograph;
 - 5 USC 552a(a)(4)



Privacy Act of 1974

- What is a Privacy Act system of records?
 - A Privacy Act system of records is a group of any records under the control of any agency
 - from which information is retrieved by the name of the individual or by some identifying number, symbol, or other identifying particular assigned to the individual. 5 USC 552a(a)(5)



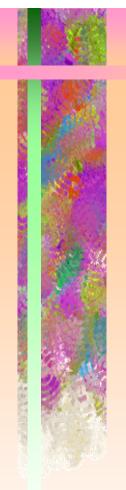
The No Disclosure Without Consent Rule

No agency shall disclose any record
within a system of records by any means
of communication to any person, or to
another agency, except pursuant to a
written request by, or with the prior
written consent of, the individual to whom
the record pertains, {subject to 12
exceptions} 5 USC 552a(b).



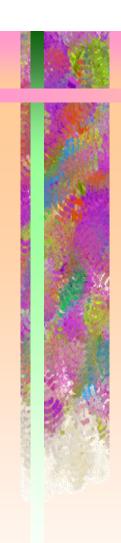
Government Contractors: Subject To Privacy Act

- "When an agency provides by a contract for the operation by or on behalf of the agency of a system of records in order to accomplish an agency function, the agency shall, consistent with its authority, cause the requirements of this section to be applied to such system."
- So, Contractors must protect the Confidentiality of Privacy Act Records



Contractors Subject to Penalties

- The contractor/its employees are subject to criminal sanctions for noncompliance with the Privacy Act that involves
 - willful unauthorized disclosures
 - in any manner to any person or agency not entitled to receive the information
 - will be found guilty of misdeameanor
 - Fined: up to \$5000



DISCLOSURE GUIDANCE

- HANDOUT: 2 PAGES
 - Guide to Preparing Requisition (Disclosure)
- Contractors Pocket Guide
 - Official Use Only/Limited Use Only (among other records/information)
- REMEMBER CONTACT:
 - JULIA N. REASONER, SR. TAX LAW SPECIALIST
 - OFFICE OF THE DIRECTOR OF DISCLOSURE
 - CL:GLD:D; ROOM 2036/2032
 - PHONE: 202-622-5719